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THE VOICES OF THE ELDERLY:

A Massachusetts Survey of Health and Service Concerns



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A Massachusetts Survey of Health and Service Concerns

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February 1991

Gerontology Institute and Center
College of Public and Community Service
University of Massachusetts at Boston

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The Gerontology Institute and Center would like to acknowledge and thank the following individuals for their assistance in serving as an Advisory Committee to this study:

Anne Barrett,
Massachusetts Association
of Older Americans

Fred Berman,
Legislative Committee on Human
Services and Elder Affairs

Jim Braude,
Tax Equity Alliance
of Massachusetts

Ellen Bruce,
Gerontology Institute

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A special acknowledgment to Anne Barrett (MAOA), John Ford (Neighborhood Legal Services) and Tom Mangione (Center for Survey Research) for the extensive technical support they provided in developing the survey questionnaire.

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THE VOICES OF THE ELDERLY
EXECUTIVE SUMMARY

The Gerontology Institute and Center conducted a statewide survey of noninstitutionalized Massachusetts residents 65 years of age and older to understand their opinions and concerns about their health care costs and social services, as well as the taxation policies being considered to finance them. Elders in Massachusetts have strong opinions about these matters which often differ from those informing the development of public policy.

At a time of tough choices and heated debates, it can be helpful to listen to those who live with the consequences of decisions made on Beacon Hill. This statewide survey of elders' opinions and concerns about health care, social services, and taxation policy is intended to contribute one more point of view in fashioning public policy.

Summary of Key Findings:

- Massachusetts elders are very concerned about rising health care costs. Two thirds (66.6%) of the respondents reported anticipating difficulty in handling these increased costs. Eighty-six percent were concerned about their ability to pay

for health insurance.

- Two thirds (64.8%) supported state subsidy of medi-gap insurance for elders who cannot afford it. Almost one third (32.4%) supported increased taxes to finance this subsidy, and 42% preferred a combination of taxes and increased premiums as a financing mechanism.
- More than three quarters opposed cutting the monthly personal needs allowance for Medicaid nursing home residents.
- Eighty-two percent were concerned about their ability to pay for a nursing home as they grow older. Over two thirds (68.6%) supported expanding Medicare to include nursing home care. Alternatively, 59% indicated that they would purchase an affordable long-term care insurance program.
- More than two thirds (67.7%) opposed counting the primary home as an asset when determining Medicaid eligibility for a nursing home resident. Seventy percent opposed requiring the family to pay 10% of the nursing home care costs. Further,

43% opposed the states' current practice of recovering the costs of nursing home care from the estate of deceased residents.

- Three quarters were opposed to eliminating Medicaid funding for Level III nursing home beds.

- Eighty-three percent opposed reducing funding for home care services.

- Over 80% supported increased taxes on alcohol, luxury items and cigarettes. Over half supported increases in sales taxes, but were adamantly opposed to taxes on food, clothing, or services to consumers. Almost half were opposed to increasing estate taxes, and two thirds were opposed to increasing income taxes.

- Elders supported taxes earmarked for specific purposes. Highest priority were taxes for fuel assistance (76.6%), home care (69.5%), nursing homes (68.6%), and health insurance subsidy (66.7%).

- Contrary to popular belief, elders supported taxes targeted to groups other than the aged. For

example, over two thirds of the elderly supported taxes for public education (71.5%), two thirds supported subsidized housing (66.7%), and 62.5% supported taxes for local aid.

A clearly articulated vision of the health and long-term care system is missing in Massachusetts. Policies will continually be driven by the need for short-term savings. Without a clear blueprint of where we are headed relative to the growing health care and long-term care problems, policymakers may unwittingly be the architects of a system that leaves too many elders with inadequate care or without care at all. Given the anticipated growth of Massachusetts' aging population, the policy decisions of today will have far-reaching implications. In short, the budget cutting of today without a policy framework will do little to abate the budget demands of tomorrow.

The state needs to immediately begin a planning process that brings together government, the academic community, elderly consumers, and private industry to fashion a comprehensive policy for elderly health and long-term care. It is within this framework that financing mechanisms can be explored so that elders do not find themselves in desperate situations with insufficient services and programs.

INTRODUCTION

This study was prepared out of a growing concern that Massachusetts state government is engaged in making critical choices regarding the reduction, elimination and modification of programs to the elderly without sufficient input from those most affected. As these changes have a significant impact on the elderly in Massachusetts, we thought it might inform the policymaking process if elders were given the opportunity to comment on the proposed changes. After all, the elderly are a vital and growing segment of our state population and, if given the opportunity, would be able to comment substantively on their concerns about the policy changes.

Perhaps the elderly are most vulnerable in the areas involving their needs for health care, social services, and long-term care. These needs and the public programs designed to meet them have received considerable attention from legislators and the media. Frequently, these programs have been tagged "budget busters," in need of reform. As we consider the scope and complexity of programs for the elderly, we are reminded that older persons are a growing segment of our population, with the fastest growing groups being the "oldest old," those 85 years old and older.

It is for these reasons reasons that the study focused

on and examined these issues, as well as how older people proposed to finance the public programs they seek.

This study was designed to tap the voices of all elders, not only those who vote, write letters and call their legislators, but those who reside in large and small communities throughout the state and, in general, have few opportunities to voice their opinions about state policies and directions. At a time of tough choices and heated debates, it can be helpful to listen to those who live with the consequences of decisions made on Beacon Hill.

This statewide survey of elders' opinions and concerns about health care, social services, and taxation policy is intended to contribute another point of view in fashioning public policy. These "voices of experience" are people who, through their taxes, helped finance the public-sector programs that proliferated after World War II. For the most part, they have lived in Massachusetts for most of their adult lives and have been integral to the Commonwealth's economic development. They have raised families, paid taxes, and are likely to remain in Massachusetts for the rest of their lives. Their concerns are important, and their opinions need to be heard.

Through the magic of modern survey research, 477 elders, representative of elders throughout the state, were selected and interviewed. Though the responses of elders to the questions and issues explored in this survey may vary

individually by community, municipality, or state region, the results reported here represent an accurate description of the sentiments and concerns of the state's noninstitutionalized population aged 65 years old and older. The size and sampling methodology employed provide a precise estimation of options of the elderly in the Commonwealth.

This preliminary report sets forth the findings organized around key policy areas, and presents recommendations designed to aid in the policy debate. First, however, the methods used are briefly described, and a profile of the respondents is presented.

THE STUDY

A randomly selected sample of 477 noninstitutionalized Massachusetts residents aged 65 and older participated in interviews 25 minutes in length during April and May of 1990.¹ These interviews were conducted by 47 students of the applied research course in the Manning Gerontology Certificate Program, most of whom were 60 years of age and older. They not only conducted the interviews, but were involved in the formulation of the study and the development of the questionnaire²

To obtain 477 completed interviews, 37,753 telephone calls were placed to 14,476 computer-generated random telephone numbers. Most of the elders contacted (83.25%) agreed to participate in the interview.³

THE SAMPLE

As would be expected, the sample distribution was a reflection of the over-age-65 population in the state according the 1990 Massachusetts Census figures.⁴ The age distribution of the study sample was 65 to 75 years of age, 56%, and 75 years and older, 43.6%. Almost two thirds of the survey participants were homeowners (61.6%), one third were renters (32.3%), and 6.1% identified some other living situation.

Those working with the elderly are well aware that women outnumber men. In this sample, women outnumbered men nearly two to one, 69% to 28.1%, with the proportion rising to nearly three to one for elders age 75 and older. Almost half of the sample participants were widowed (43.8%) and 39.6% were married. As women outlive men, widowhood increases with age. This also is reflected in the living situation of the elders surveyed. As seniors age, it is more likely that they live alone. For example, of the youngest elders surveyed -- those 65 to 75 years of age -- one third lived alone. But, among the 75 and older group, over half lived alone (52.9%).

About 11% of the elders surveyed worked. Almost one third had completed some educational work beyond high school (32.2%). And, nearly three quarters (73.1%) reported that their health status is good to excellent.

FINDINGS⁵

Opinions About Health Care Costs

The concern about future health care costs documented in the survey is a reflection of very real cost increases borne by elders. Health care costs for the elderly have risen considerably in the last several years. In fact, elders pay a greater percentage of their income for health care now than prior to the passage of Medicare in 1965. According to the U.S. Senate Special Committee on Aging, elderly now pay over 16% of their income for health care, as contrasted to 15% of their income in 1964 -- just before the authorization of Medicare.⁶

Elders today are faced with rising out-of-pocket expenses as well as rising Medicare and medi-gap insurance costs. For elders on fixed incomes, these rising costs are a major source of concern. Although a small, but not insignificant, 14.7% of the sample reported having difficulty with health care costs during the past five years, most elders are concerned about the future. Two thirds (66.6%) of the sample reported anticipating difficulty in handling health and long-term care costs. For example, as summarized in Table 1, 71.3% expressed concern for paying for prescription drugs; 73.9% expressed concern for paying for home care; 66.3% expressed concern for paying for eye care; 57.4% expressed concern for paying for dental care; 60.2% about paying for hearing devices; 62.3% about

paying for mental health services; 57.6% about paying for foot care; and 77% about paying for nursing care at home.

Table 1.

Expressed Concern About Selected Health Care Costs

<u>Health Service</u>	<u>Expressed Concern</u>
Home care	73.9%
Eye care	66.3%
Dental care	57.4%
Hearing devices	60.2%
Mental health services	62.3%
Foot care	57.6%
Nursing care at home	77.0%
Prescription drugs	71.3%

Nearly 86% of the elderly surveyed in this study
expressed concern about their ability to pay for health
insurance as they get older. The federal government has
increasingly shifted health care costs to elders by
dramatically increasing Medicare deductibles, hospital co-
insurance rates, and Part B premiums.

To help defray many expenses not covered by Medicare,
most elders purchase "medi-gap" insurance. Once an option,
this insurance has now become a necessity for most elders.
In 1990 alone, the cost of Medex 3, the state's most popular
medi-gap policy, increased by 67%. Despite these rising
costs, 73% of the respondents who have Medex policies
reported that they plan to keep their current policy

regardless of the rates.

Mindful of the needs of the less fortunate, 65% of the respondents supported a state subsidy for elders who can not afford to purchase medi-gap insurance. Further, as shown in Table 2, significant numbers of elders, recognizing the need for such a subsidy, indicated that they would be willing to pay for it. The largest percentage, 32.4%, indicated favoring a combination of taxes and increased premiums to finance it, while 19.1% were willing to pay for it exclusively through increased taxes. Just over 12% favored increased premiums on all health insurance subscribers in the state to finance this subsidy, and 11.3% of the supporters believed that this subsidy should be financed some other way.

Table 2.

Subsidies for Health Insurance

	<u>Favor</u>	<u>Oppose</u>	<u>Don't know</u>	<u>Total</u>
Medi-gap insurance subsidy 100%	64.8%	6.9%	28.3%	

Recommended Financing Methods
for Medi-gap Insurance

Taxes	19.1%
Premiums	12.9%
Taxes and premiums	32.4%
Other way	11.3%
Don't know	18.8%
No response	5.5%
Total percent	100%
Total number	309

Opinions About Long-Term Care Costs

Despite high and increasing costs for health care, most elders know that Medicare will not cover long-term care in the home or in a nursing home.⁷ According to the federal Task Force on Long Term Care Policies, persons ages 64 to 69 face a 43% chance of entering a nursing home as they age.⁸ Eighty-two percent of the elders surveyed were concerned about their ability to pay for nursing home care as they age.

The costs for an elder with modest savings for a

* Respondents favoring subsidized medi-gap insurance only.

skilled nursing home can range from \$25,000 to \$60,000 a year. Currently, they are not covered by any government program for the most part. Although private insurance policies are available, they vary significantly in their comprehensiveness and affordability. Both the private and public sectors are beginning to explore mechanisms for addressing this need.

Only after all available assets have been depleted, with the exception of a primary home (residence), does an elder become eligible for the Medicaid Program which then assumes the costs for nursing home care.⁹ These residents are allowed a personal needs allowance, which is the only money they have for toiletries, shoes, clothing, and other personal purchases. All other income, including that generated by Social Security and pensions, goes directly to the nursing home to offset the cost of care to Medicaid. This personal needs allowance was cut by the Dukakis Administration from \$72 to \$60 a month. The Weld Administration has proposed a further 50% reduction to \$30 a month. Not surprisingly, 77% of the respondents opposed cutting the monthly personal needs allowance for nursing home residents paid for by Medicaid.

Nursing home care is organized into levels by severity of need, with Level III including elders who require supervision and assistance with activities of daily living such as bathing, dressing, eating, getting out of bed, and

toileting. The Dukakis Administration had proposed eliminating Medicaid funding for this level of care, regardless of spend-down status, as a cost-cutting measure. Seventy-eight percent of the elders surveyed disagreed with this proposal.

Another proposal under consideration is using the assets of a primary home to address nursing home costs prior to Medicaid eligibility when there is neither a spouse nor other dependent remaining at the residence. The use of the home as an asset is an emotional issue for many elders.

More than two thirds (67.7%) of the sample opposed placing a lien on the house of a nursing home resident who qualified for Medicaid. However, the position of the states' elders on Medicaid's current practice of recovering expenditures from estates of deceased nursing home resident is more divided, with over a third (37%) of the sample in agreement with this practice and less than half (43%) opposed.

Another strategy for financing nursing home care being considered is to have families pay for the care. Elders were very resistant to this idea. Over 70% of the respondents were opposed to the states' requiring family members to pay 10% of their nursing home costs.

Clearly, financing long-term care is of major concern to elders in Massachusetts. Two thirds (68.6%) of the sample said they believe that Medicare should be expanded to include nursing home coverage. As an alternative, 59% of

the sample indicated they would purchase a comprehensive health insurance policy to cover the costs associated with long-term care, if one were available at a reasonable price.

Almost two thirds of the 65- to 75-year-old respondents indicated a particular interest in purchasing such an insurance plan.

Over half (56.6%) of the respondents believe that the state should subsidize premiums for long-term care insurance. The survey probed those seeking a state subsidy for long-term care insurance as to how the state should pay for these costs. As summarized in Table 3, more than one third of the respondents (34.4%) indicated that the insurance should be financed by a combination of taxes and increased policy premiums. Twenty-six percent favored increased taxes alone as the financing mechanism of choice, 7.8% recommended increasing health insurance premiums to finance the subsidy, and 13.7% indicated that the insurance should be subsidized some other way but did not specify in what way.

Table 3.

Subsidies for Long-Term Care Insurance

	<u>Favor</u>	<u>Oppose</u>	<u>Undecided</u>
Subsidize LTC insurance (d.k.=20.7%)	56.6%	21.4%	22.0%
Finance this subsidy			
w/taxes	25.9%		
w/premiums	7.8%		
w/taxes and premiums	34.4%		
other	13.7%		
(d.k. on funding mechanism = 18.1%)	*		

The state of Massachusetts has established an extensive home care system that provides homemaker, chore, and other services which help elders live in their own residence as long as possible. For some elders, home care serves as an alternative to a nursing home placement. Eighty-three percent of the respondents opposed reduced funding for home care services. Nevertheless, since October 1989 home care has reduced its caseload because of cutbacks from 46,000 to 33,000 cases, with further cutbacks anticipated.

Opinions About Taxation

As stated earlier, elders are willing to pay more taxes or increased insurance premiums to subsidize the high costs of health care, health insurance, and social services. For the majority of elders, the need for health care and social

* d.k. = don't know

services is great and their concern about coping with rising costs is significant.

Despite their strong desire for increased help from government to assist with the rising costs of health care and long-term care, the elders participating in the survey were divided about how to finance these services, but generally supported the legislative directions. Not unlike other groups, elders were very supportive of increasing the "sin" taxes, such as alcohol (85%), luxury (82%), and cigarette (83%) taxes.

Though half (53.2%) of the respondents supported increasing the sales tax, they were adamantly opposed to taxing necessities such as food (93.5%), clothing (64%), and services used by consumers (79%). Almost half of the respondents were opposed to increasing estate taxes, and two thirds (67%) were opposed to increasing income taxes. Fifty-one percent of the respondents favored making the current state income tax rate of 5.75% permanent, which includes a temporary increase of 0.75%. Thirty-nine percent opposed this proposal.

As evidenced in other surveys, and summarized in Table 4, elders indicated that they would be more likely to support increased taxes if they were "ear marked", or targeted for specific services. Consistent with the findings cited earlier in this report, more than two thirds of the respondents supported targeted taxes for nursing home

care (68.3%), home care, (69%), and health insurance subsidy (67%).

Contrary to some popular myths about the "greedy elderly," the support for services not solely or predominantly benefiting elders was equally strong. Two thirds (66.7%) support a targeted tax for subsidized housing and local aid (63%). Almost 72% indicated support for a tax targeted for public education. Interestingly, the service with the strongest support among the respondents was for fuel assistance for low-income families (76.3%). At one time the state provided \$17 million for fuel assistance, but currently no state funds have been allocated.

Table 4.

Targeted Taxes

<u>Services</u>	<u>Support taxes for this use</u>	<u>Opposed</u>	<u>Don't know</u>
Nursing home care	68.3%	25.4%	6.3%
Home care	69.2%	25.4%	5.4%
Public education	71.5%	23.1%	5.4%
Health insurance subsidy	66.7%	26.2%	7.1%
Subsidize health care for all state residents	51.8%	39.0%	9.2%
Fuel assistance	76.3%	17.4%	6.3%
Subsidized housing	66.7%	26.8%	6.5%
Local aid	62.5%	28.9%	8.6%

CONCLUSION

This survey points to a discrepancy between what elders need and want and the prevailing public policy directions. The rising cost of health care and anticipated long-term care expenses are the two most pressing concerns of the Massachusetts elderly. While only 14.7% of the elders surveyed reported difficulty meeting health care costs, two thirds were concerned about dealing with this problem in the future.

Their concern is not unfounded. Health care costs have risen significantly and are expected to continue increasing at a rate substantially greater than inflation. Chronic health problems increase with age, as does the need for long-term care. As the state reduces the assistance it provides, and costs continue to rise, elders often face these increased demands with limited incomes. When we add the state's retreat from essential programs like home care and fuel assistance, a picture of vulnerability begins to emerge.

Understandably, Massachusetts policymakers are concerned with balancing the budget and jump-starting the stalled economy. We need to ask, however: "At what cost?" Are they, in their fervor to address these truly critical immediate issues, setting us up to face a larger health care and long-term care crisis in the immediate future? The

policy decisions of today not only address the problems of today, but shape the issues of tomorrow.

Essentially, there is a finite set of policy options available when we respond to the health and long-term care needs of the elderly, many of which are being explored. The state can:

- (1) Have individuals pay more by narrowing eligibility for existing services, increasing charges for state-funded services, and eliminating state-funded services;
- (2) Require family members to assume the costs of caring for elderly relatives;
- (3) Develop a funding mechanism to pay for health and long-term care services;
- (4) Develop private/public insurance programs;
- (5) Not provide services at all.

Massachusetts has embarked on some form of each of the identified options. What is missing from this policy response is a clearly articulated vision of the intended health and long-term care system we seek to create for the future. Without a clear blueprint of where we are headed as a state relative to these pressing problems, policies will continually be driven by the need for short-term savings. Policymakers may unwittingly be the architects of a system that leaves elders subject to devastation by the costs of health and long-term care or without care at all. Given the

demographic reality of Massachusetts' aging population, the policy decisions of today will have far-reaching implications. In short, the budget cutting of today will do little to abate the budget demands of tomorrow.

Currently, those 65 years of age and older constitute 14% of the state's population. This percentage is rising rapidly and is expected to double before it stabilizes over the next 50 years. Not only is the elderly population growing, but the oldest old (those 85 years of age and older) are its fastest growing segment. This group of elders is most likely to be frail, poor and in need of services.

Perhaps this challenge is no different from the post-World War II challenge of developing a comprehensive system of basic education for the Commonwealth's burgeoning young population. Much as the need for comprehensive education affected prior and subsequent generations, so does the need for financing health and long-term care for the elderly. This problem requires a comprehensive policy response, not simply a piecemeal approach.

We hope the voices of these elderly individuals will further dramatize the need for the state to immediately begin a planning process that brings together representatives of government, the academic community, legislators, elderly consumers and private industry to fashion a comprehensive policy for elderly health and long-term care. It is within this framework that financing

mechanisms can be explored so that elders do not find themselves in desperate situations with insufficient services and programs.

NOTES

1. The Center for Survey research at the University of Massachusetts at Boston provided technical assistance with the sample selection.
2. See Appendix D for questionnaire used.
3. More precise information on the sampling is presented in Appendix A.
4. A more detailed discussion of the profile of study participants is provided in Appendix B.
5. A presentation of survey responses is presented in Appendix C.
6. U.S. Senate, Special Committee on Aging (April, 1984).
Medicare and the Health Costs of Older Americans: The Extent and Effects of Cost Sharing.
7. There are very few exceptions to this which are directly related to short-term treatment of an illness, not recuperative or custodial care.
8. Schulz, J. (1988). The Economics of Aging (4th edition). Boston: Auburn House.
9. Medicaid is jointly financed by the state and federal government, but it is administered by the states; therefore, each state sets its own guidelines and requirements for participation.

APPENDICES

Appendix A Sampling Procedures

A random-digit dialing technique was used to generate the sampling pool¹, and an initial screening was implemented by telephone so that only noninstitutionalized elders, ages 65 and older, would be included in the study sample. A structured interview was developed and pre-tested, consisting primarily of closed-ended questions to do with the respondents' current health insurance coverage, their reactions to increasing health care costs, their ability to deal with predicted increases, their reaction to already reduced services and proposed changes or reductions in services, the level of their concern about specific services, and their reactions to specific financing and taxation proposals currently under consideration.

The sampling pool consisted of 14,476 randomly generated telephone numbers.² The basic assumptions were:

- A 3:1 ratio of residential numbers to nonresidential numbers;³
- 4 out of 5 residences would not have residents 65 years of age or older;
- a refusal rate of 30% among eligible respondents.

These assumptions served as the basis for estimating the need to generate at least 14,286 random numbers to construct the sample. Fourteen sets of 1,034 numbers were generated (a total of 14,476). Seventy-one percent (10,278) of these numbers were activated during the course of the study, each receiving at least one call.⁴ An estimated 36,753 calls were made -- an average of 3.76 calls per number. The final dispositions of these numbers were:

¹For a detailed discussion of random-digit dialing procedures see Paul J. Lavrakas, Telephone Survey Methods: Sampling, Selection and Supervision. Applied Social Research Methods Series, Vol. 7. Beverly Hills, CA: Sage Publications, 1987, pp. 33-47

²Lavrakas, pp. 49-51.

³The national ratio is 3:1.

⁴The study began by activating 5 blocks of numbers and activated additional numbers as needed.

-- 47.26% (4,860) were inaccessible lines. The telephones were either out of order or computer lines (indicated by a high-pitched computer tone). The numbers reporting being out of service were recalled twice, for a total of 3 calls before being assigned this final disposition.

-- 17.26% (1,775) were never answered -- no answer, answering machine, or busy. These numbers were called an average of 6 times during the data collection period.

-- 29.65% (3,049) were ineligible numbers. These included nonresidential numbers, cases in which there was a language barrier, and residences in which there was no person aged 65 and older. An average of 3 calls per number were placed before the determination was made.

-- 0.93% (96) were eligible participants who refused to answer the survey (or someone who refused for them). Of these 96 refusals, 9 were third-party refusals -- where a family member refused participation for the elder. All were re-called; 7 of them agreed to participate and 2 refused.

-- 0.20% (21) were eligible participants who were unavailable during the time of the study. Only 7 of them were unavailable due to illness; we do not have a disposition of the other 14.

-- 4.64% (477) were eligible participants who participated in the study. These numbers were called an average of 4 times.

The final response rate of Massachusetts seniors eligible was **83.25%**.

Appendix B
Profile of Survey Participants

Age

Fifty-six percent of the respondents were 65 to 75 years of age, 35.4% were 75 to 85 years of age, and 8.2% were 85 years of age and older. Because the last category is so small, the analysis includes two age categories -- 1) 65 to 75 years old, and 2) 75 years old and older. Of the sample, 43.6% of the sample are in this latter category. The profile is not unlike the actual Massachusetts 1990 Census figures for the elderly population.

Age Distribution

<u>Age</u>	<u>Survey Percentage</u>	<u>Census Percentage</u>
65-75	56.0%	60 %
75-84	35.4%	31.9%
85+	8.2%	8.1%
75+	43.6%	40 %

Home Ownership

Almost two thirds of the sample (61.6%) were homeowners. There is no relationship between home ownership and age.

Home Ownership

	<u>Entire sample</u>	<u>Age 65 to 75</u>	<u>Age 75 and over</u>
Homeowners	61.6%	56.2%	54.8%
Renters	32.3%	29.6%	36.1%
Other	6.1%	3.8%	9.1%

Gender

Women outnumbered men in the entire sample at more than two to one. The ratio of women to men among the 75-and-older age group was greater than three to one. They also outnumber men among home owners at a rate of 2 to 1, and among renters at more than 3 to 1. The distribution of more women to men is to be expected, and the sample is slightly different than the distribution of women to men found in the 1990 Census for Massachusetts.

Gender Profile by Age and Homeownership

	<u>Entire sample</u>	<u>Age 65 to 75</u>	<u>Ages 75 and over</u>	<u>Home- owners</u>	<u>Renters</u>
Women (MCP) ¹	69.0% (61.8%)	64.4% (56.7%)	74.5% (69.5%)	65.2%	78.4%
Men (MCP)	28.1% (38.2%)	33.3% (43.2%)	21.6% (30.5%)	31.7%	19.6%

Race

Ninety-five percent of the sample was white.

Marital Status

Almost half of the sample participants (43.8%) were widowed. More than one third (39.6%) were married. Half of the 65- to 75-year-old respondents (50.2%) reported being married as did one quarter of the 75-and-older respondents (26.4%). The rate of widows among the 75-and-older respondents (62%) was almost double that of the 65- to 75-year-old respondents (30%). Half of the homeowners (50.3%) reported being married, and half of the renters reported being widowed (53.2%).

¹ 1990 Massachusetts Census Profile for age subsets 65+, 65-75 and 75+, respectively.

Marital Status by Age and Homeownership

	<u>Entire sample</u>	<u>Age 65 to 75</u>	<u>Age 75 and over</u>	<u>Home-owners</u>	<u>Renters</u>
Never married	8.2%	9.4%	6.7%	7.1%	10.4%
Married	39.6%	50.2%	26.4%	50.3%	22.1%
Widowed	43.8%	30.0%	62.0%	37.8%	53.2%
Divorced	6.5%	7.9%	4.8%	4.4%	10.4%
Separated	1.9%	2.6%	1.0%	.3%	3.9%

Living Situation

Forty-two percent of the respondents reported living alone and 33% reported living with their spouses. More than half of the 75-and-older respondents (52.9%) reported living alone, as did one third of the younger respondents (33.3%). Forty-three percent of the 65- to 75-year-old respondents, and 21.6% of the older respondents reported living with their spouses. Twenty-five percent of the entire sample reported living in some other situation. Their most common descriptions of these situations were "with son" (5.5%) and "with daughter" (6.9%). Almost three quarters of the sample (72.2%) also reported being home owners. It is possible that they live with family members in homes owned by either the respondents or the family with whom they live.

Almost half of the renters (47.6%) reported living alone, and almost half (46.8%) of the homeowners reported living with their spouses.

Living Situation by Age and Homeownership

	<u>Entire sample</u>	<u>Age 65 to 75</u>	<u>Age 75 and over</u>	<u>Home-owners</u>	<u>Renters</u>
Live alone	41.7%	33.3%	52.9%	37.1%	47.6%
Live with spouse	33.3%	42.7%	21.6%	46.8%	14.4%
Other	25.0%	24.0%	26.4%	26.2%	13.0%

Education Level

Almost one third of the sample (31.4%) reported not having graduated from high school, more than one third (35%) reported being high school graduates, and a final third (32.2%) reported education beyond high school.

Education by Age

	<u>Entire sample</u>	<u>Age 65 to 75</u>	<u>Age 75 and over</u>
Through 11th grade	31.4%	28.1%	36.1%
High School graduate	35.0%	37.5%	32.2%
1-3 years of college	18.4%	20.0%	15.9%
College graduate	9.2%	9.4%	9.1%
Graduate work	4.6%	2.5%	2.1%
>High School	32.2%	31.9%	27.1%

Employment

Eleven percent of the sample reported being employed at the time of the survey. This was the case for 15% of the 65- to 75-year-old respondents and 6.3% of the 75-and-older respondents. Fourteen percent of the homeowners reported being employed, as did 6.5% of the renters. Sixty-two percent of the employed respondents reported working part time.

The profile for employed workers in the study sample was consistent with figures from the Massachusetts 1990 Census, with the exception of workers 75 and older. Although the numbers are small, there were a greater percentage of elderly workers 75 years old and older in the sample than in the actual state population.

Employment by Age and Homeownership

<u>Entire sample</u>	<u>Age 65 to 75</u>	<u>Age 75 and over</u>	<u>Home-owners</u>	<u>Renters</u>
11.2%	15.0%	6.3%	13.6%	6.5%
(MCP) ²	(10.7%)	(15.2%)	(3.7%)	

Annual Income

The median annual income reported by this sample was between \$10,000 and \$20,000. Nearly 22% of those surveyed refused to answer the question, leaving some uncertainty as to the actual income distribution of those who responded. The younger respondents reported higher incomes than the older respondents. Thirty-two percent of the 65- to 75-year-old respondents reported annual incomes greater than \$20,000 as compared to 18% of the 75-and-older respondents. Twenty-one percent of the 65- to 75-year-old respondents, and 31% of the 75-and-older respondents reported annual incomes below \$10,000.

Not surprisingly, the higher incomes are concentrated among the home owners and the lower incomes among the renters. Thirty-seven percent of the homeowners reported annual incomes greater than \$20,000 as compared to only 11% of the renters. Conversely, more than half of the renters (51%), and 17% of the homeowners in the sample reported annual incomes of less than \$10,000.

Annual Income by Age and Homeownership

<u>Total sample</u> (\$thousand)	<u>Age 65 to 75</u>	<u>Age 75 and over</u>	<u>Home-owners</u>	<u>Renters</u>
0 - 5	8.8%	4.5%	10.1%	4.1%
5.1-10	18.2%	16.5%	20.7%	13.3%
10.1-20	25.2%	31.1%	22.6%	28.3%
20.1-40	16.6%	21.0%	12.0%	23.2%
40.1-50	4.8%	6.0%	3.4%	6.5%
More than \$50	4.6%	5.2%	2.9%	6.8%
No answer	21.8%	15.7%	28.4%	17.7%
< \$10	27.0%	21.1%	30.8%	17.4%
> \$20	26.0%	32.2%	18.3%	36.5%
				51.0%
				11.1%

² 1990 Massachusetts Census Profile percentages for subsets 65+, 65-75 and 75+, respectively.

Health Status

More than half (57.2%) of the respondents reported their health status as good to very good. "Fair" or "Poor" health was reported by 26.6%. Only 15.9% of the respondents reported their health status as "Excellent."

Health Status by Age

	<u>Entire sample</u>	<u>Age 65 to 75</u>	<u>Age 75 and over</u>
Excellent	15.9%	19.9%	11.1%
Good/Very good	57.2%	57.3%	57.2%
Fair/Poor	26.6%	22.8%	31.3%

Appendix C
Responses to Questionnaire

A. HEALTH CARE AND LONG-TERM CARE

Q22:
Health Insurance

<u>Entire Sample</u>	<u>Age 65-75</u>	<u>Age 75+</u>
83.5%	86.5%	77.8%

Q21,24,27,29:
Medicare Coverage
(all respondents)

	<u>Entire Sample</u>	<u>Age 65-75</u>	<u>Age 75+</u>
Medicare/ A	85.3%	84.3%	87.0%
Medicare/B	64.4%	61.8%	68.3%
Medex	51.4%	46.1%	58.7%
Medex 3	35.6%	34.8%	37.0%

Q25:
Additional Policies

one	56.9%	62.9%	48.0%
two	86.7%	89.1%	82.9%
three	8.3%	6.4%	11.4%
	3.9%	2.7%	5.8%

Q27:
Medex Policies Among Respondents
Reporting Medicare Coverage

	<u>Entire Sample</u>	<u>Age 65-75</u>	<u>Age 75+</u>
Medex	61.9%	56.4%	68.2%
Medex 2	14.0%	10.1%	18.4%
Medex 3	82.1%	85.3%	78.6%
Medex Standard	3.9%	4.6%	3.0%
Plan to keep current policy	73.2%	69.1%	76.6%

Q29:
Plan Re Medex Policy

	<u>Entire Sample</u>	<u>Age 65-75</u>	<u>Age 75+</u>
Plan to keep current policy	72.6%	69.1%	76.6%
Purchase different Medex policy	4.7%	8.1%	0.9%
Purchase medi-gap policy from other company	1.7%	0.8%	2.7%
unsure	20.9%	22.0%	19.8%

Q32:
How will you handle the increased cost of health insurance?

	<u>Entire Sample</u>	<u>Age 65-75</u>	<u>Age 75+</u>
Easily	19.2%	15.1%	24.3%
Some difficulty	51.9%	58.3%	43.9%
Great difficulty	28.9%	26.6%	31.8%

Q47:
Have you had difficulty meeting health care costs during the past five years?

	<u>Entire Sample</u>	<u>Age 65-75</u>	<u>Age 75+</u>
	14.7%	12.6%	17.2%

Q30,31,33,34,48-52:
Financing Health Care and Long-Term Care

	<u>Entire Sample</u>	<u>Age 65-75</u>	<u>Age 75+</u>
Would purchase LTC insurance (d.k. ¹ = 17.2%)	59.3%	65.1%	51.4%
Federal gov. responsible for health care costs (d.k.= 19.9%)	58.7%	61.0%	56.3%
Federal gov. responsible for LTC costs (d.k.= 18.4%)	57.4%	61.0%	53.4%
Expand Medicare to include nursing home care (d.k.= 25.8%)	68.6%	69.7%	67.8%
Expand Medicare to include home care (d.k.= 22.6%)	69.8%	70.0%	70.2%
Subsidize medi-gap insurance (d.k.= 28.3%)	64.8%	65.5%	64.4%
Finance			
w/taxes	19.1%	17.7%	20.9%
w/premiums	12.9%	13.1%	12.7%
w/taxes and premiums	32.4%	34.9%	29.1%
other way	11.3%	13.1%	9.0%
(d.k. on financing mechanism = 18.8%)			
Subsidize LTC insurance (d.k.= 20.7%)	56.6%	58.4%	54.8%
Finance this subsidy:			
w/taxes	25.9%	24.4%	28.2%
w/premiums	7.8%	6.7%	9.6%
taxes and premiums	34.4%	37.2%	30.7%
other	13.7%	16.7%	9.6%
(d.k. on financing mechanism = 18.1%)			

¹ d.k.= Don't know.

Q48:
Who should be primarily responsible
 for health care costs?

	<u>Entire Sample</u>	<u>Age 65-75</u>	<u>Age 75+</u>
Federal government	58.8%	61.0%	56.3%
State government	73.3%	73.8%	72.7%
Private insurance	10.2%	8.6%	4.3%
Elders' families	1.6%	0.9%	2.5%
Individual elders	9.2%	10.0%	8.1%
(d.k.= 18.4%)			

Q49:
Who should be primarily responsible
 for long-term care costs?

	<u>Entire Sample</u>	<u>Age 65-75</u>	<u>Age 75+</u>
Federal government	58.7%	61.0%	53.4%
State government	8.2%	7.1%	9.5%
Private insurance	5.4%	5.6%	3.3%
Elders' families	5.9%	0.7%	1.9%
Individual elders	3.3%	8.2%	6.2%
(d.k.= 19.9%)			

Q36-45:
Health Care Costs

Expressed Concern About Health Care Costs

	<u>Entire Sample</u>	<u>Age 65-75</u>	<u>Age 75+</u>
Health insurance	85.7%	89.5%	80.8%
Home care	73.9%	84.3%	72.1%
Eye care	66.3%	69.3%	62.0%
Dental care	57.4%	62.2%	51.4%
Hearing devices	60.2%	66.3%	52.4%
Mental health services	62.3%	68.2%	54.8%
Foot care	57.6%	58.8%	56.3%
Nursing care at home	77.0%	80.9%	71.6%
Prescription drugs	71.3%	77.9%	63.0%
Nursing home care	82.0%	87.6%	74.5%

Q35:
Expect family hardship to be caused
 by increased health care costs

<u>Entire Sample</u>	<u>Age 65-75</u>	<u>Age 75+</u>
88.9%	91.6%	85.3%

B. REACTIONS TO POLICY PROPOSALS

Q53-58:
Changes in Services

	<u>Agree</u>	<u>Disagree</u>	<u>Don't Know</u>
Eliminate funding for Level III nursing home beds	9.6%	78.4%	11.1%
Cut monthly allowance for nursing home residents	15.5%	77.4%	7.1%
Recover from estates	37.1%	43.2%	19.7%
Lien	18.1%	67.7%	14.1%
Home owners	16.0%	74.4%	9.6%
Renters	21.6%	59.5%	28.5%
Family pay 10% of nursing home costs	18.9%	70.4%	10.7%
Reduce home care funding	9.4%	83.2%	7.4%

Q67-69:
Fee Increases

	<u>Agree</u>	<u>Disagree</u>	<u>Don't Know</u>
Drivers' licenses and auto registration	16.7%	78.2%	5.1%
Professional licenses	35.0%	52.6%	12.4%
Business licenses	41.7%	39.6%	18.7%

Q59-66,70-75:
Tax Changes

	<u>Agree</u>	<u>Disagree</u>	<u>Don't Know</u>
Tax food	5.0%	93.5%	1.5%
Tax clothing	30.8%	64.2%	5.0%
Tax services used by consumers	13.4%	79.0%	7.6%
Tax services used by businesses	40.5%	40.3%	18.0%
Increase cigarette tax	83.2%	13.4%	3.4%
Increase alcohol tax	84.9%	12.4%	2.7%
Increase luxury tax	81.8%	14.3%	3.9%
Increase sales tax	53.2%	41.3%	5.5%
Increase estate tax	37.6%	49.5%	12.9%
Increase income tax keep 5.75 rate	21.8% 51.6%	67.1% 39.2%	11.1% 9.2%
Increase tax on unearned income	20.1%	70.9%	9.0%
Increase proportion of capital gains subject to taxation	35.4%	46.8%	17.8%
Home owners	33.1%	54.6%	12.3%
Renters	41.2%	34.6%	24.2%
65-75	36.7%	48.7%	14.6%
75+	34.1%	44.7%	21.2%
Increase capital gains tax rate	38.8%	44.0%	17.9%
Home owners	35.5%	54.6%	9.9%
Renters	43.8%	30.7%	25.5%
65-75	43.4%	44.9%	11.7%
75+	43.3%	33.2%	23.5%

Q77-102:
Targeted Taxes

<u>Services</u>	<u>Support taxes for this use</u>	<u>Opposed</u>	<u>Don't know</u>
Nursing home care	68.3%	25.4%	6.3%
Home care	69.2%	25.4%	5.4%
Public education	71.5%	23.1%	5.4%
Health insurance subsidy	66.7%	26.2%	7.1%
Subsidize health insurance for all state residents	51.8%	39.0%	9.2%
Fuel assistance	76.3%	17.4%	6.3%
Subsidized housing	66.7%	26.8%	6.5%
Local aid	62.5%	28.9%	8.6%

APPENDIX D

ELDERLY ACTION RESEARCH PROJECT
GERONTOLOGY CENTER
COLLEGE OF PUBLIC AND COMMUNITY SERVICE
UNIVERSITY OF MASSACHUSETTS AT BOSTON

STATEWIDE SURVEY OF 65+ RESIDENTS
SPRING, 1990

INTERVIEW SCHEDULE

Interviewer Name

Interviewer number

Date

1- So that I can include your comments in the study, I will need to verify that you are in the 65 and over age category. Could you please tell me your birth date?

_____ - _____ - _____
month date year

(IF BIRTH DATE IS AFTER APRIL
1925, TERMINATE INTERVIEW)

2- For how many years have you lived in Massachusetts?

_____ years

3- How would you describe your health as compared to others your own age? Would you say that your health is excellent, very good, good, fair, or poor?

- (1) EXCELLENT
- (2) VERY GOOD
- (3) GOOD
- (4) FAIR
- (5) POOR

4- What is the highest grade that you completed in school?

- (1) 8TH GRADE OR LESS
- (2) 9TH -11TH GRADE
- (3) GRADUATED HIGH SCHOOL
(FINISHED 12TH GRADE OR GED)
- (4) POST HIGH SCHOOL
(TRADE OR TECHNICAL SCHOOL)
- (5) 1 - 3 YEARS OF COLLEGE (THIS
CATEGORY INCLUDES ASSOCIATES DEGREE)
- (6) COLLEGE GRADUATE (BACHELORS DEGREE)
- (7) GRADUATE WORK, HIGHER DEGREE
- (8) DON'T KNOW
- (9) NO ANSWER

5- Which of the following best describes your racial or ethnic background? White, Black, Hispanic, Asian or Pacific Islander, American Indian, or other.

- (1) WHITE
- (2) BLACK
- (3) HISPANIC
- (4) ASIAN OR PACIFIC ISLANDER
- (5) AMERICAN INDIAN
- (6) OTHER **(SPECIFY)**

(9) NO ANSWER

6- Which of the following best describes your marital status?
Never married, married, separated, widowed, or divorced.

- (1) NEVER MARRIED
- (2) MARRIED
- (3) SEPARATED
- (4) WIDOWED
- (5) DIVORCED
- (6) OTHER _____

(9) NO ANSWER

With whom do you live?

(CIRCLE THE NUMBER FOR ALL THAT APPLY)

	<u>NO</u>	<u>Yes</u>
7- NO ONE	1	2
8- SPOUSE	1	2
9- BROTHER	1	2
10- SISTER	1	2
11- DAUGHTER	1	2
12- SON	1	2
13- DAUGHTER-IN-LAW	1	2
14- SON-IN-LAW	1	2
15- NON- RELATIVE (FRIEND)	1	2
16- GRANDCHILDREN	1	2
17- OTHER	1	2

(SPECIFY) _____

18- Do you own or rent the home you are living in now?

(1) OWN

(2) RENT

(3) OTHER (specify)

19- Do you currently work for pay?

(1) NO-->(GO TO # 21)

(2) YES

20-----> Full or part time?

(1) FULL-TIME

(2) PART-TIME

Now I'm going to ask you some questions about health insurance and Medicare, the federal health insurance plan for people 65 years of age and older.

21- Do you have Medicare Part A which covers hospital coverage?

(1) NO

(2) YES-->(GO TO # 24)

(8) DON'T KNOW

(9) NO ANSWER

22-----> Do you have health insurance?

(1) NO (GO TO # 35 , Pg. 8)

2) YES

(8) DON'T KNOW (GO TO # 35 ,
Pg. 8)

(9) NO ANSWER (GO TO # 35 , Pg. 8)

23-----> WHAT KIND? _____

_____ (GO TO #35 , PG. 8)

(8) DON'T KNOW (GO TO #35 , PG. 8)

(9) NO ANSWER (GO TO #35 , PG. 8)

24- Do you have Medicare Part B insurance which covers doctors visits and other non-hospital services?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

25- Do you have any additional insurance policies to help pay the medical costs not covered by your Medicare policy?

- (1) NO--> (GO TO # 27)
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

26-----> How Many additional health insurance policies do you have?

- (8) DON'T KNOW
- (9) NO ANSWER

27- Were you covered by a Blue Cross Blue Shield Medex policy during 1989?

- (1) NO (GO TO # 30)
- (2) YES
- (8) DON'T KNOW (GO TO # 30)
- (9) NO ANSWER (GO TO # 30)

28----> Did you have Medex 2, Medex Standard, or Medex 3 during that time?

- (1) MEDEX 2
- (2) MEDEX STANDARD
- (3) MEDEX 3
- (8) DON'T KNOW
- (9) NO ANSWER

29----> Blue Cross Blue Shield has recently raised the annual cost of all Medex policies. Are you planning to keep your current policy, purchase a different Medex policy, purchase a policy from a different insurance company, or are you unsure of what you will do?

- (1) KEEP YOUR CURRENT POLICY
- (2) PURCHASE A DIFFERENT MEDEX POLICY
- (3) PURCHASE A POLICY FROM A DIFFERENT INSURANCE COMPANY
- (4) UNSURE OF WHAT YOU WILL DO.
- (8) DON'T KNOW
- (9) NO ANSWER

30- Do you think that Medicare insurance should be expanded to include coverage for nursing home care?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

31- Do you think that Medicare insurance should be expanded to include coverage for home care?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

32- The cost of health insurance is increasing. How will you handle the increases? Would you say that you will handle these easily, with some difficulty, or with a great deal of difficulty.

- (1) EASILY
- (2) WITH SOME DIFFICULTY
- (3) WITH A GREAT DEAL OF DIFFICULTY
- (8) DON'T KNOW
- (9) NO ANSWER

33- Do you think that medi-gap insurance such as Medex should be subsidized to reduce premiums for low income elderly?

- (1) NO (GO TO #35)
- (2) YES
- (8) DON'T KNOW (GO TO #35)
- (9) NO ANSWER (GO TO #35)

34-->Do you think this subsidy should be funded through increased taxes, increased premiums for others who purchase Blue Cross Blue Shield policies, increased premiums for everyone in the state purchasing health insurance, a combination of taxes and premiums, or some other way.

- (1) THROUGH INCREASED TAXES
- (2) INCREASED PREMIUMS FOR OTHERS WHO PURCHASE BLUE CROSS BLUE SHIELD POLICIES
- (3) INCREASED PREMIUMS FOR EVERYONE IN THE STATE PURCHASING HEALTH INSURANCE
- (4) A COMBINATION OF TAXES AND INCREASED PREMIUMS
- (5) OR SOME OTHER WAY---> How? (**S p e c i f y**)

- (8) DON'T KNOW
- (9) NO ANSWER

35- Health care, for a person 65 years of age or older, costs a greater percentage of income than it did in 1964 before Medicare. How concerned are you that major health care costs will cause you or your family financial hardship? Would you say that you are not concerned, somewhat concerned, or very concerned?

- (1) NOT CONCERNED
- (2) SOMEWHAT CONCERNED
- (3) VERY CONCERNED
- (8) DON'T KNOW
- (9) NO ANSWER

Now I'm going to ask you about specific services which you may already use, or may need sometime in the future.

36- To what extent are you concerned about your ability to pay for eye care (vision), as you get older. Would you say that you are not concerned, somewhat concerned, or very concerned?

- (1) NOT CONCERNED
- (2) SOMEWHAT CONCERNED
- (3) VERY CONCERNED
- (8) DON'T KNOW
- (9) NO ANSWER

37- To what extent are you concerned about your ability to pay for home care as you age. Would you say that you are not concerned, somewhat concerned, or very concerned?

- (1) NOT CONCERNED
- (2) SOMEWHAT CONCERNED
- (3) VERY CONCERNED
- (8) DON'T KNOW
- (9) NO ANSWER

38- To what extent are you concerned about your ability to pay for dental care, as you age. Would you say that you are not concerned, somewhat concerned, or very concerned?

- (1) NOT CONCERNED
- (2) SOMEWHAT CONCERNED
- (3) VERY CONCERNED
- (8) DON'T KNOW
- (9) NO ANSWER

39- To what extent are you concerned about your ability to pay for hearing devices as you age. Would you say that you are not concerned, somewhat concerned, or very concerned?

- (1) NOT CONCERNED
- (2) SOMEWHAT CONCERNED
- (3) VERY CONCERNED
- (8) DON'T KNOW
- (9) NO ANSWER

40- To what extent are you concerned about your ability to pay for mental health services as you age. Would you say that you are not concerned, somewhat concerned, or very concerned?

- (1) NOT CONCERNED
- (2) SOMEWHAT CONCERNED
- (3) VERY CONCERNED
- (8) DON'T KNOW
- (9) NO ANSWER

41- To what extent are you concerned about your ability to pay for foot care (podiatry) as you age. Would you say that you are not concerned, somewhat concerned, or very concerned?

- (1) NOT CONCERNED
- (2) SOMEWHAT CONCERNED
- (3) VERY CONCERNED
- (8) DON'T KNOW
- (9) NO ANSWER

42- To what extent are you concerned about your ability to pay for skilled nursing services at home as you age? Would you say that you are not concerned, somewhat concerned, or very concerned?

- (1) NOT CONCERNED
- (2) SOMEWHAT CONCERNED
- (3) VERY CONCERNED
- (8) DON'T KNOW
- (9) NO ANSWER

43- To what extent are you concerned about your ability to pay for prescription drugs as you age. Would you say that you are not concerned, somewhat concerned, or very concerned?

- (1) NOT CONCERNED
- (2) SOMEWHAT CONCERNED
- (3) VERY CONCERNED
- (8) DON'T KNOW
- (9) NO ANSWER

44- To what extent are you concerned about your ability to pay for nursing home care as you age. Would you say that you are not concerned, somewhat concerned, or very concerned?

- (1) NOT CONCERNED
- (2) SOMEWHAT CONCERNED
- (3) VERY CONCERNED
- (8) DON'T KNOW
- (9) NO ANSWER

45- Are there other services that you are concerned about which I have not listed?

(1) NO (GO TO #47)

(2) YES

46----->

What are they? _____

(8) DON'T KNOW

(9) NO ANSWER

47- During the past five years, have you faced any difficulty meeting health care costs?

(1) NO

(2) YES

(8) DON'T KNOW

(9) NO ANSWER

Can you tell me about it?

48- Who do you think should be mainly responsible for health care costs? Do you think it should be the federal government, the Commonwealth of Massachusetts, private insurers, elders' families, or the individual elders.

- (1) THE FEDERAL GOVERNMENT
- (2) THE COMMONWEALTH OF MASSACHUSETTS
- (3) PRIVATE INSURERS
- (4) ELDERS' FAMILIES
- (5) OR THE INDIVIDUAL ELDERS
- (8) DON'T KNOW
- (9) NO ANSWER

49- Who do you think should be mainly responsible for long term care costs? Do you think it should be the federal government, the Commonwealth of Massachusetts, private insurers, elders' families, or the individual elders.

- (1) THE FEDERAL GOVERNMENT
- (2) THE COMMONWEALTH OF MASSACHUSETTS
- (3) PRIVATE INSURERS
- (5) ELDERS' FAMILIES
- (6) OR THE INDIVIDUAL ELDERS
- (8) DON'T KNOW
- (9) NO ANSWER

50- Would you purchase a comprehensive health insurance policy to cover the costs associated with long term care, if one were available at a reasonable price?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

51- Do you think that the state should subsidize insurance premiums for long term care insurance?

(1) NO (GO TO NEXT PAGE)

{ (2) YES

 (8) DON'T KNOW (GO TO NEXT PAGE)

 (9) NO ANSWER (GO TO NEXT PAGE)

52----> How do you think this subsidy should be funded?
Do you think it should be funded through increased taxes, increased premiums for everyone purchasing insurance, a combination of taxes and increased premiums, or some other way?

(1) THROUGH INCREASED TAXES

(2) INCREASED PREMIUMS FOR EVERYONE PURCHASING HEALTH INSURANCE

(3) A COMBINATION OF TAXES AND INCREASED PREMIUMS

(4) SOME OTHER WAY (SPECIFY)

(8) DON'T KNOW

(9) NO ANSWER

[READ SLOWLY]

As you may know, the state is having difficulty balancing its budget. As a result, the state is proposing several changes in programs that serve the elderly. I'd like to ask you some questions and get your reaction to some of the proposals.

Medicaid pays for nursing home care for elders who are unable to pay and who need total skilled nursing care. These are known as levels one and two. Medicaid also pays for those who need less than total care but who also need help with one or two routine daily activities such as eating, bathing, and getting out of bed. This is known as level three.

53- The state is considering eliminating Medicaid payments for level three care. Do you agree or disagree with this proposal?

- (1) AGREE
- (2) DISAGREE
- (8) DON'T KNOW
- (9) NO ANSWER

54- People on Medicaid who live in nursing homes must turn over their income to pay the cost of care. They are allowed to keep seventy-two dollars (\$72.00) each month to pay for personal items such as clothing, newspapers, and toiletries. Another proposal being considered is to cut this monthly allowance to thirty-five dollars (\$35.00) per month. Do you agree or disagree with this proposal?

- (1) AGREE
- (2) DISAGREE
- (8) DON'T KNOW
- (9) NO ANSWER

55- Current law allows a nursing home resident on Medicaid, who own a house, to keep it even if he or she may never return home. Only after the death of the nursing home resident, when the unoccupied house becomes part of the estate, does Medicaid step in to recover all nursing home payments it made. Do you agree or disagree with this current practice?

- (1) AGREE
- (2) DISAGREE
- (8) DON'T KNOW
- (9) NO ANSWER

56- Another proposal is for the state to place a lien on the house of a nursing home resident who qualifies for Medicaid regardless of the possibility of returning home. Do you agree or disagree with this proposal?

- (1) AGREE
- (2) DISAGREE
- (8) DON'T KNOW
- (9) NO ANSWER

57- Another proposal is to have families with annual incomes greater than fifteen thousand dollars (\$15,000.00), pay 10% of the nursing home care cost of relatives who are nursing home residents and who qualify for Medicaid. The average cost of Nursing Home care is thirty thousand dollars (\$30,000.00) per year. This means that an average family would pay approximately three thousand dollars (\$3,000.00) per year. Do you agree or disagree with this proposal?

- (1) AGREE
- (2) DISAGREE
- (8) DON'T KNOW
- (9) NO ANSWER

Home Care provides supportive services to elders in their home such as help with personal grooming, grocery shopping, and house cleaning. The state has recently reduced Home Care Services to the elderly.

58- As a way of saving additional money, a proposal is being considered to further reduce home care services. Do you agree or disagree with this proposal?

- (1) AGREE
- (2) DISAGREE
- (8) DON'T KNOW
- (9) NO ANSWER

Another way for the state to raise revenue is to increase specific taxes. Would you support an increase in the following taxes if the money were to be used to raise general revenue?

59- Currently, Massachusetts does not tax purchases of clothing under one hundred-seventy-five dollars (\$175.00). Would you support a sales tax on clothing which is not currently taxed?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

60- Currently, the State does not tax food purchased in stores (groceries). Would you support a tax on food?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

61- Would you support an increase in taxes on cigarettes?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

62- Would you support an increase in taxes on alcohol?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

63- Massachusetts sales tax is now 5%. Would you support an increase in sales tax to 6%?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

64- Would you support an increase in taxes on luxury items like sail boats, fur coats, etc. while keeping the general sales tax at its current rate?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

Currently the state does not apply the sales tax to fees paid for services.

65- Would you support taxing services used by businesses, for example consulting services, architectural services, and legal services?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

66- Would you support taxing services like auto and household repairs used primarily by consumers?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

67- Would you support an increase in professional licensing fees like those for nurses, accountants, lawyers, and doctors?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

68- Would you support increasing fees for licenses used by businesses?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

69- Would you support additional increases in fees for drivers licenses and auto registrations?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

When people sell investments like stocks, bonds, real estate and collectibles, they don't have to pay taxes on half of the money. They pay a 10% tax on the second half. This is known as capital gains tax.

70- Would you support changing the law so that people would have to pay taxes on more than half of this money if this change did not effect the sale of your primary residence (home)?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

71- The state tax on earned income, like wages, is 5%. Would you support an increase in the earned income tax?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

72- Last year the legislature approved a one year increase in income tax to 5.75%. It is scheduled to return to 5% on January 1st of 1991. Would you support keeping the income tax rate at 5.75%?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

73- Unearned income like dividends is taxed at 10%. Would you support an increase in taxes on unearned income?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

74- No taxes are paid on estates in Massachusetts unless the deceased person's estate is worth over \$200,000. If the deceased person is survived by a spouse, that limit is over \$400,000. Would you favor an additional tax on estates larger than these amounts?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

As I mentioned earlier, capital gains tax is: when people sell investments like stocks, bonds, real estate and collectibles, they don't have to pay taxes on half of the money. They pay a 10% tax on the second half.

75- Would you support an increase in the percent at which this income is taxed if it did not effect the sale of your primary residence (home)?

- (1) NO
- (2) YES
- (8) DON'T KNOW
- (9) NO ANSWER

76- Would you be more likely to favor tax increases if they were targeted for specific services?

(1) NO

(2) YES

(8) DON'T KNOW

(9) NO ANSWER

Would you be willing to have your taxes increased if the money were used for the following items. Please answer yes or no.

	DO NOT READ			
	NO	YES	D/K	N/A
77- Nursing home care	1	2	8	9
78- Home care services	1	2	8	9
79- Public education for children.	1	2	8	9
80- Subsidized health insurance, like Medex, for elders.	1	2	8	9
81- Subsidized health insurance for all state residents	1	2	8	9
82- Fuel assistance for low income families	1	2	8	9
83- Subsidized housing	1	2	8	9
84- Local aid for community services	1	2	8	9

Now I have one final question, and I only need broad categories:

85- Was your total income from all sources before taxes in 1989 more than \$20,000.00?

- (1) NO
- (2) YES--->(GO TO # 88)
- (8) DON'T KNOW--->(GO TO # 90)
- (9) NO ANSWER--->(GO TO # 90)

86-----> Was it more than \$10,000.00?

- (1) NO
- (2) YES--->(GO TO # 90)

87-----> Was it more than \$5,000.00?

- (1) NO--->(GO TO # 90)
- (2) YES--->(GO TO # 90)

88- Was it more than \$40,000.00?

- (1) NO--->(GO TO # 90)
- (2) YES

89-----> Was it more than \$50,000.00

- (1) NO
- (2) YES

DO NOT ASK UNLESS YOU ARE UNSURE

90- Gender of respondent:

Are you a male or female?

(1) MALE

(2) FEMALE

This completes my questions. Thank you for taking the time to participate in this study.

AFTER COMPLETING INTERVIEW AND TERMINATING CALL, RECORD THE FIRST THREE DIGITS OF THE TELEPHONE NUMBER HERE. NOT THE AREA CODE, BUT THE FIRST THREE DIGITS OF THE NUMBER KNOWN AS THE EXCHANGE.

91- _____

THE GERONTOLOGY INSTITUTE

The University of Massachusetts at Boston

Established in 1984, the Gerontology Institute at the University of Massachusetts at Boston furthers the University's commitment to the study and development of social policy on aging. The Institute conducts policy research on issues affecting older people and their families. In addition, the Institute assists national, state, and local organizations analyze policy issues and formulate policy options on matters concerning the elderly. Core funding is provided by the Massachusetts Legislature. Major projects are funded through grants and contracts.

Programs of the Institute are carried out through two divisions: The Frank J. Manning Research Division and the Public Policy Division. A major research priority is productive aging, that is, opportunities for older people to play useful social roles. A second priority is long-term care for the elderly. Additional major concerns of the Public Policy Division include health care policy, income security policy, and housing, with particular attention to the special needs of racial and ethnic minority elderly.

In the fall of 1990, the University introduced a Ph.D. program in Gerontology with an emphasis in social policy. It is the second such program in the country. The Institute is a teaching resource for the Ph.D. program. In addition, the Institute provides doctoral students with experience in research and policy analysis.

The Institute also supports the University's Gerontology Certificate program. A one-year program of concentrated study, the Gerontology Certificate program prepares older learners for roles in aging services. Most students are over 60 years of age. Through an Advanced Certificate program, selected graduates participate in applied research projects within the Institute. The regular involvement of older people helps to assure that Institute projects reflect the concerns of older people.

Another activity of the Institute is the publication of a scholarly quarterly with an international perspective, the Journal of Aging & Social Policy. The journal is issued by Haworth Press.

Since its formation, the Institute has been directed by Scott A. Bass, Ph.D. It has a permanent faculty and staff of approximately 16 people and is located in the heart of Boston in the University's Downtown Center.

